



Request for City Council Committee Action From the Department of Public Works

Date: October 17, 2002

To: Transportation and Public Works Committee

**Subject: 1. Field Regina Area Street Lighting Project, Special Improvement of Existing Street Number 2216;
2. Hennepin (Franklin-Groveland) Street Lighting Project, Special Improvement of Existing Street Number 2217;
3. Central Neighborhood Phase III Street Lighting Project, Special Improvement of Existing Street Number 2218; and
4. Washington Av N Reconstruction Lighting Project, Special Improvement of Existing Street Number 6600.
5. Golden Valley Rd Street Lighting Project, Special Improvement of Existing Street Number 6596.
Reduce Special Assessments and Adoption of Amended Assessment Rolls to Reflect Final Project Cost.**

Recommendation: Adoption of a Committee Report reducing the Special Assessments upon the benefited properties and adopting the amended assessment rolls.

Previous Directives: Resolutions 2001R- 065 (Field Regina Area), 2001R-132 (Hennepin Franklin-Groveland), 2001R-101 (Central Neighborhood Phase III) and 2000R-438 (Washington Av N), 200R-231 (Golden Valley Rd) - Ordering the work to proceed and adopting the special assessments for the Street Lighting Projects.

Prepared or Submitted by: Suzette R. Hjermstad, Real Estate Investigator II 673-2401

Approved: Brian J. Lokkesmoe, P.E., Interim City Engineer, Director of Public Works

By: Richard H. Smith _____

Presenters in Committee: Suzette R. Hjermstad

Financial Impact (Check those that apply)

- ☒ No financial impact - or - Action is within current department budget.
(If checked, go directly to Background/Supporting Information)
- ☐ Action requires an appropriation increase to the Capital Budget
- ☐ Action requires an appropriation increase to the Operating Budget
- ☐ Action provides increased revenue for appropriation increase
- ☐ Action requires use of contingency or reserves
- ☒ Other financial impact (Explain): Special assessments against benefited properties

☐ Request provided to the Budget Office when provided to the Committee Coordinator

Background/Supporting Information Attached

The purpose of this letter is to recommend the reduction of the special assessments and to adopt amended assessment rolls to reflect the final project cost.

The assessments involve:

1. Field Regina Area Street Lighting Project, Special Improvement of Existing Street No. 2216.

The total principal amount of the special assessments approved by the City Council on February 16, 2001, Resolution 2001R-065, is \$4,125,163.74. The final cost was less than the cost estimate resulting in a reduction to \$2,806,289.85.

2. Hennepin (Franklin-Groveland) Street Lighting Project, Special Improvement of Existing Street No. 2217.

The total principal amount of the special assessments approved by the City Council on April 11, 2002, Resolution 2001R-132, is \$16,760. The final cost was less than the cost estimate resulting in a reduction to \$13,962.

3. Central Neighborhood Phase III Street Lighting Project, Special Improvement of Existing Street No. 2218.

The total principal amount of the special assessments approved by the City Council on March 23, 2001, Resolution 2001R-101, is \$413,000. The final cost was less than the cost estimate resulting in a reduction to \$381,353.04.

4. Washington Av N Reconstruction Lighting Project, Special Improvement of Existing Street No. 6600.

The total principal amount of the special assessments approved by the City Council on October 5, 2000, Resolution 2000R-438, is \$374,608.90. The final cost was less than the cost estimate resulting in a reduction to \$191,400.30.

5. Golden Valley Rd Street Lighting Project, Special Improvement of Existing Street No. 6596.

The total principal amount of the special assessments approved by the City council on May 19, 2000, Resolution 2000R-231 is \$114,203.50. The final cost was less than the cost estimate resulting in a reduction to \$80,725.

Assessments of more than \$150 are to be collected over 20 years, beginning on the 2003 real estate tax statements. Assessments of \$150 or less are to be collected in their entirety on the 2003 real estate tax statements.

Since these street lighting projects were approved in 2000 and 2001, there have been numerous real estate transactions such as sales and refinancing in these areas, and monies being held in private sector escrow accounts to pay these assessments when the amounts are final. These reductions will allow for the escrow accounts to be closed, which in turn results in revenue flow to the City.

Cc: Council Member Johnson Lee, Ward 5
Council Member Goodman, Ward 7
Jack Qvale, Secretary, Board of Estimate and Taxation
Ray Morales, Acting Director, Treasury

T&PW – Your Committee recommends that the special assessments for the project and charges listed below, originally adopted as referenced below, be amended and the assessment rolls as prepared by the City Engineer be adopted.

1. Field Regina Area Street Lighting Project, Special Improvement of Existing Street No 2216, originally adopted in Resolution 2001R-065, passed February 16, 2001; \$2,806,289.85 principal (reduced by \$1,318,873.89, from \$4,125,163.74, due to reduction in final cost); 20 installments for assessments of more than \$150 – Levy 01026 Project 2216L; 1 installment for assessments of \$150 or less – Levy 01026 Project L2216.
2. Hennepin (Franklin-Groveland) Street Lighting Project, Special Improvement of Existing Street No 2217, originally adopted in Resolution 2001R-132, passed April 11, 2002; \$13,962 principal (reduced by \$2,798, from \$16,760, due to reduction in final cost); 20 installments for assessments of more than \$150 – Levy 01026 Project 2217L; 1 installment for assessments of \$150 or less – Levy 01026 Project L2217.
3. Central Neighborhood Phase III Street Lighting Project, Special Improvement of Existing Street No. 2218, originally adopted in Resolution 2001R-101, passed March 23, 2001; \$381,353.04 principal (reduced by \$31,646.96, from \$413,000 due to reduction in final cost); 20 installments for assessments of more than \$150 – Levy 01026 Project 2218L; 1 installment for assessments of \$150 or less – Levy 01026 Project L2218.
4. Washington Av N Reconstruction Lighting Project, Special Improvement of Existing Street No 6600, originally adopted in Resolution 2000R-438, passed October 5, 2000; \$191,400.30 principal (reduced \$183,171.10, from \$374,571.40 due to project cost reduction); 20 installments for assessments of

more than \$150 – Levy 01026 Project 6600L; 1 installment for assessments of \$150 or less - Levy 01026 Project L6600.

5. Golden Valley Rd Street Lighting Project, Special Improvement of Existing Street No 6596, originally adopted in Resolution 200R-231, passed May 19, 2000, \$80,725 principal (reduced \$33,478.50 from \$114,203.50 due to project cost reduction); 20 installments for assessments of more than \$150 – Levy 01026 Project 6596L; 1 installment for assessments of \$150 or less – Levy 01026 Project L6596.